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CONGRESSIONAL RECORD — SENATE

all kinds, under the most terrible conditions imaginable.

Mr. CARROLL. In order to be conservative, let us say that the number still held by Castro is only 50,000. But regardless of the exact number of prisoners Castro still holds, certainly the negotiations are most important, for they involve thousands of people. So if the Government of the United States has to negotiate on this basis, let the negotiations be across the board.

Mr. SMATHERS. I do not disagree with the Senator. I merely say I do not think the Government, itself, is in a position to become involved in this particular matter. The whole burden of what I was trying to say is that citizens' groups do a much more effective job. I understand the Government has taken no particular position with respect to this question, and I hope that will continue to be the case; but I agree that we ought to try to have every prisoner in Cuba released, and, for that matter, anywhere else. There are three boys in Ecuador who need to be released.

Mr. CARROLL. Would the Senator not say that, if we are to negotiate for 1,271 prisoners, we should talk about all the people who are now in prisons, whether it be done by private groups, or by a Commission of the Government, or by the U.S. Government?

Mr. SMATHERS. I could not disagree with the Senator. Certainly, we want to see that all people who are incarcerated wrongly are freed. Certainly, there are some in Cuba. Certainly, if we are to try to free 1,200, we ought to try to free more. Certainly, we should try to free Cuba. Certainly, we should try to get rid of communism there.

Mr. CARROLL. Emphasis has been placed on some 1,200 people. Some persons call it a ransom, some call it blackmail, to exchange machines for men. What about the thousands who languish in the jails of Cuba? It seems to me, they also represent a proper basis for negotiation.

Mr. SMATHERS. The Senator is correct.

TRIBUTE TO SENATOR HOMER CAPEHART

Mr. BRIDGES. Mr. President, it is not often that well-deserved great tributes are paid to statesmen and other fine public servants while they are still in office; all too often the fine, effective service a man, or a Senator, gives to his country is commented upon after he leaves office.

But today, Mr. President, as the senior Republican Senator, I am delighted to report that one of our most hard-working, truly effective Senators—one who comes from the very heartland of America—has received an excellent tribute from one of Washington's distinguished correspondents.

The Senator is HOMER CAPEHART, the self-made man, who, born on a farm, has worked all his life and succeeded in every endeavor to which he has put his hand. For the past 17 years he has served Indiana in the United States Senate—longer than any other Senator ever elected from that State. This in

itself attests to the ability and character of Senator CAPEHART, and likewise to the good judgment of the men and women of his State.

I know only too well, Mr. President, of the capacities within this Senator, because I have known many Senators over the years and know from first hand experience what a man is and is not. In Senator CAPEHART, as the news story in the Chicago Sunday Tribune relates, Indiana and the Nation have a remarkable public servant. He ranks high in the councils of his party and his seniority enables Indiana to have unusual representation and attention. His activities encompass a wide range in the Halls of this body: Agriculture, the interests of small businessmen, banking and currency matters, housing and other fields of welfare, and, last, but not least, foreign relations. In passing, I might mention that there are a number of laws on the Nation's statute books today which bear the name of CAPEHART.

The article in the Chicago Sunday Tribune, written by Mr. Willard Edwards, a longtime observer of the political scene, points out, because of space limitations, only a few of Senator CAPEHART's abilities. For example, his very simplicity of action during Senate committee hearings frequently results—and this is well known—in getting to the root of problems.

In foreign relations, he has been ahead of his time. He has called the turn of events time after time, recently in the case of Cuba and Laos. All this is singled out specifically in the newspaper article.

Mr. President, because of this unusual and longtime coming tribute—which all of us are delighted to see—I ask unanimous consent that the story be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WITNESSES SQUIRM WHEN CAPEHART CUTS LOOSE ON THEM—EVEN MURROW, AN OLD PRO, GETS THE FIDGETS

(By Willard Edwards)

WASHINGTON, May 6.—The two men facing each other were not only opposites in appearance. Their subsequent dialogue was to show that they were poles apart in thinking. Neither would ever understand the other.

The Senator on the rostrum was HOMER E. CAPEHART, Indiana Republican, 63 years of age, a portly man with a round, sunburned face. He spoke slowly, sometimes hesitating as he groped for the proper word. He looked like a farmer or businessman and, in fact, is both.

OLD PRO SQUIRMS

The witness in the Senate committee hearing room was Edward R. Murrow, 53, shortly to be confirmed as Director of the U.S. Information Agency. His long and narrow face was pale. His voice, trained by many years of public speaking as a professional television commentator, had up to this moment rolled forth polished phrases in deep, resonant tones.

Now, strangely, the man accustomed to a vast listening audience, was nervous. Little beads of perspiration dripped from his chin, sullyng an expensive tie. His left foot beat a tattoo on the floor. Famed for a bored imperturbability, Murrow seemed almost to be squirming.

PERPLEXED BY SENATOR

Some Senators might have given the witness comfort at that moment. They, too, have undergone questioning by Capehart and found difficulty in answering queries of a deceptive simplicity.

The Senator is no orator. After 17 years in the Senate, longer than any other Senator from Indiana in history, he talks as plainly and directly as when he first entered the perilous field of Hoosier politics back in 1942 as a county chairman.

Some might call him a plodder. He wrestles with a legislative proposal, ignores the fancy verbiage in which it may be presented, applies the commonsense which helped him to a highly successful career in the business world before he entered the Senate, and comes up with a practical verdict.

The process frequently baffles minds capable of more agility. On this occasion, Murrow, an idol in the liberal and intellectual world, was plainly perplexed. The Senator's reasoning was beyond his ken.

CAUGHT OFF BALANCE

CAPEHART was openly worried about the methods Murrow would use in his new job as Director of an agency set up to combat Communist propaganda around the world by spreading the American gospel of freedom.

Murrow had been taxed about scores of TV programs he had directed which appeared to concentrate more on the faults of the American system than its virtues. In presenting the United States to the world, he said, he would maintain an editorial balance, not omitting the Nation's weaknesses.

Some excerpts from the questioning:

"Mr. CAPEHART. What do you mean by editorial balance?"

"Mr. MURROW. It means, basically, telling the truth insofar as human fallibility permits it * * * one does not get out of balance in reporting of difficult or depressed or contentious areas."

"Mr. CAPEHART. Do you mean that you must cover every phase, be it good or bad?"

"Mr. MURROW. Yes, sir."

"Mr. CAPEHART. You intend to tell the bad about the United States along with the good?"

MUST REPORT BAD, TOO

"Mr. MURROW. If the bad is significant, it is going to be reported anyway and we must report it. We must report it honestly, otherwise it will be distorted."

"Mr. CAPEHART. My understanding of your position is that you are to sell the United States to the world, just as a sales manager's job is to sell a Buick or a Cadillac or a radio or television set. Now, I never knew of a salesman who was very successful that ran in advertisements and sales stories the weaknesses of their product and of their company. Now, aren't you selling ideas, just the same, in reality as selling physical things?"

"Mr. MURROW. I do not mean to suggest that we should put emphasis on the unpleasant or the unsuccessful. But we cannot be effective in telling the American story if we deny that we have controversies or difficulties."

HE SHRUGS IN DESPAIR

"Mr. CAPEHART. I grew up as a farmer and manufacturer, and salesman. In selling, we deal with positives. We talk completely about our strength."

"Now why can't we concentrate on strength rather than weakness? This agency (USIA) has not been very successful in the past. Here we sit, a Nation some 180 years old, with the greatest system of government, but other people in the world have not and are not copying it. I would like to see us concentrate on the positive and good. Let them find out for themselves about the weaknesses. If they do, the weaknesses may look

The newspaper O Estado de São Paulo in São Paulo, Brazil, São Paulo being the province of the President of Brazil, Mr. Quadros, had this to say:

A tractor will be sent to Fidel Castro by the great liberal newspaper O Estado de São Paulo in order to contribute to the ransom demanded by the Cuban Premier for counter-revolutionaries taken prisoner in the abortive landing operation. At the same time as it announced this decision the newspaper editorial expressed its complete disagreement with the "erroneous attitude of the Brazilian Government toward the problem of Cuba, which is vital for all America."

O Estado de São Paulo writes:

When our Foreign Minister says that it is too soon to know whether the Cuban regime is Communist or not, he contradicts with these words the statements of Fidel Castro and Ernesto Guevara themselves. The truth is that both of them have proclaimed themselves to be disciples of Lenin. Either our Government believes that the Cuban regime is the best, and if it wants to be consistent it must then try to establish such a regime in Brazil, or it must defend our own regime.

The editorial concludes by saying:

What is to be decided is how to protect the dignity of the office of the President of Brazil.

Since I received this particular newspaper, it is my understanding that four more newspapers in Brazil have now made an offer of a tractor, saying that they, too, have finally begun to wake up and realize that in Castro's offer of a life for a machine, they realize the callousness of the Communist government of Cuba. The whole reaction now has begun to work against Castro, and that is why he wants to be released from his offer.

Mr. JAVITS. Mr. President, at this point will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. Hickey in the chair). Does the Senator from Florida yield to the Senator from New York?

Mr. SMATHERS. I am glad to yield, although I have only limited time in which to speak.

Mr. JAVITS. I am glad to state, in connection with the statement of the Senator from Florida, that today the New York Post and the New York Journal American have published editorials praising the citizens committee in New York which is seeking to supplement the fundraising effort to which the Senator from Florida has referred.

Mr. SMATHERS. I thank the Senator from New York.

In La Paz, Bolivia, the paper Ultima Hora stated the Castro proposal was worse than Nazi Eichmann's proposal to barter Jews for trucks, since Castro was trading his own countrymen and his actions have resulted in Communist establishment of a base of operations in America. The editorial is also harshly critical of Latin American governments which are sympathetic to this "inhuman act."

In San Jose, Costa Rica, La Republica and La Hora front paged the Associated Press story on Castro's proposed barter. An editorial in Diario de Costa Rica calls the proposal cynical and cruel and a gen-

uine example of Marxism which values machines more than man. It calls Castro's Cuba more Communist than any Iron Curtain satellite, and states Castro stays in power only through a reign of terror. The editorial adds that the proposal is hardly surprising, however, since Castro is "possessed of devils, Marxist, atheist, and inhuman."

In Montevideo, Uruguay, El Bien Publico—Union Civica and La Manana Colorado Independent followed the same editorial approach on May 19, comparing Castro's offer to Hitler's offer to exchange Jewish prisoners for trucks. El Paid—UBD—stated they found it hard to believe, but, if true, is simply further proof of Communist disregard of human beings, and that Castro had arrived at the extreme of selling Cuban citizens for machinery. They also compared it with the Moorish custom of selling Christian prisoners for money.

No wonder that Fidel Castro is desperately endeavoring to change the terms of his offer, because it has been for him a monumental propaganda blunder. It has opened the eyes of doubters and dreamers to the cruelty, the callousness, and the materialism of the Communist ideology as it is practiced in Cuba today.

I am satisfied that if the Government of the United States continues to follow the present position of "hands off" with respect to this problem, with all of its humanitarian appeal, and leaves it to the private citizens here in the United States and in the neighboring Latin American countries, the solution can be found, the lives can be saved, and all Latin America can be thoroughly awakened to the terrible danger of communism.

An extra dividend may well be that, through this cooperative effort, we shall finally realize the unity of the peoples of this hemisphere in a giant, joint effort to stop the encroachments of communism in all of Latin America, and the pressing need to cooperatively eliminate communism from Cuba at the earliest feasible moment.

Mr. CARROLL. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield.

Mr. CARROLL. I did not understand the statement the Senator from New York made.

Mr. JAVITS. I referred to editorials published today in two newspapers in New York City. The editorials commented favorably on the effort of private citizens to do something about this matter, without all the implications—blackmail, and so forth—which some are trying to read into this situation. The editorials bore out the fundamental thesis which just now has been explained so very eloquently and well by the Senator from Florida.

Mr. CARROLL. Is the Senator from New York willing to have the editorials printed in the Record?

Mr. JAVITS. Yes, but that will have to be done tomorrow, for the editorials were published only today.

Mr. SMATHERS. Mr. President, in conclusion I wish to point out that no doubt Castro wanted the people of the

United States to state, following his proposal, "We cannot do it"; and in that event Castro would have been able to say that although the United States had been talking for 20 years or more about how much it wanted to help the countries to the south of it, nevertheless, when the time came to save the lives of these people, the United States would not do anything about it. In my judgment, if that had been the case, the back of the revolutionary movement would have been broken.

In addition, Castro wanted to have word go throughout Latin America that although the United States has talked about progress in the housing field, yet the United States would not give up construction equipment—wheelbarrows or shovels or tractors or bulldozers—in order to save lives; and Castro hoped thereby to win a tremendous propaganda victory. But he did not realize the depth of feeling of the people in that connection. Newspapers all over Latin America are showing that the people are appalled by what Castro has done.

So now Castro is trying to say, "I will not deal with citizens' groups. I want to deal only with the Government."

Mr. President, the Government should stay out of this situation. We are now about to win a tremendous propaganda victory over Castro, because he has put his foot right into his mouth. At any rate, I hope the Government will stay out of this situation, and will permit our people to continue to act. By this means, the people all over Latin America will be able to realize the dangers of communism.

Mr. CARROLL. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. Mr. President, I do not have the floor.

Mr. GOLDWATER. Mr. President, I have the floor; and I ask unanimous consent that the colloquy may continue, but that the time required for it be not charged to the time available to either side, under the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARROLL. Mr. President, this is a very important subject. I know the able Senator from Florida has studied it very carefully. Will he inform us as nearly as he is able to, based on what he has been able to learn from the press and in other ways, how many prisoners are being held in Cuba, today, by Castro?

Mr. SMATHERS. Over and above the so-called freedom fighters?

Mr. CARROLL. Yes, the 1,200.

Mr. SMATHERS. Over and above the 1,271, my information is—although I cannot vouch for its authenticity—that in the neighborhood of 100,000 people are being held.

Mr. CARROLL. A few days ago I read in the newspapers that the estimated number was 147,000. However, whether it be 100,000 or 50,000—

Mr. SMATHERS. The information is that on the night of the revolution, Castro picked up 147,000 or 157,000. Since then, approximately 50,000 have been released; but 100,000 are still incarcerated in theaters and in pens of

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compensation at the rate of \$50 for each day engaged in carrying out this title, and shall be entitled to receive an allowance for actual and necessary travel and subsistence expenses while serving away from their places of residence.

Rules and regulations

Sec. 102. The Board shall make such rules and regulations as it deems necessary to carry out the provisions of this title. All actions of the Board shall be by majority vote of the members thereof.

Award of scholarships

Sec. 103. (a) The Board shall establish principles and policies to be followed in the selection of individuals to be awarded scholarships. Such principles and policies shall provide for the selection of individuals to be awarded scholarships by objective examinations designed to measure achievement, such as the cooperative achievement test of the Educational Testing Service, Princeton, New Jersey. The Board shall establish a minimum attainment grade for such examinations and notwithstanding the number of scholarships authorized in this title for any year, a scholarship shall not be awarded under this title to any individual unless he equals or exceeds such minimum grade. As part of such examination, the Board shall require each individual competing for a scholarship under this title to submit an original theme or composition written in English, as well as a written translation, of such material as the Board may prescribe, from English into a foreign language and from a foreign language into English. Scholarships awarded by the Board shall be known as "national scholarships".

(b) To be eligible to compete for a national scholarship, an individual (1) must be in his last academic year of secondary school or must hold a certificate of graduation from a school providing secondary education, (2) must have completed (or be in his last academic year toward completion) four academic years of study in English, three academic years of study in mathematics, three academic years of study in history, three academic years of study in foreign language, and three academic years of study in science or in Greek or Latin (if such Greek or Latin study is not used for the foreign language requirement above); (3) must have attained, or be reasonably assured of attaining, secondary school grades which average in the upper 15 per centum of the group with which he is completing secondary school; and (4) must make application for such scholarship in accordance with such rules and regulations as the Board may prescribe.

(c) Examinations for determining national scholarship winners shall be scheduled by the Board as to permit the announcement of winners not later than the first week in March in each year that such scholarships are awarded.

(d) There are authorized to be awarded one thousand national scholarships for education beginning in the academic year which begins in the calendar year 1962, and for each academic year thereafter.

(e) All recipients of national scholarships shall receive a certificate signed by the members of the Board designating the recipient as a "national scholar."

Institution of higher learning to be attended

Sec. 104. An individual awarded a national scholarship may attend any institution of higher learning which will admit him if such institution (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is accep-

table for full credit toward such a degree, and (4) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

Amount and duration of scholarships

Sec. 105. (a) The scholarship allowance to be paid each academic year to an individual awarded a national scholarship shall be determined for each academic year by the Board on the basis of the estimated expenses which will be incurred for such year in attending the educational institution in which he is enrolled. In no event shall such allowance for any such year exceed \$3,000, nor shall such allowance for the first such year be less than \$500. The scholarship allowance shall be paid in such manner and at such times as the Board may prescribe.

(b) The scholarship allowance herein provided for shall be granted for a period of time not to exceed four academic years, or such longer period as is normally required to complete the undergraduate curriculum which the recipient is pursuing; but in no event shall such allowance be paid beyond the completion by the recipient of the work for his first bachelor's degree. Notwithstanding the foregoing provisions, the scholarship allowance shall be paid only so long as the recipient (1) devotes substantially full time during the academic school year to educational work at the educational institution which he is attending, and (2) maintains the standards and requirements prescribed by the institution he is attending and those prescribed by the Board. If the recipient fails to maintain such standards and requirements, his national scholarship shall be terminated and he shall be dropped from the program.

Appropriations

Sec. 106. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this title.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

Credit against income tax for real property taxes paid for support of public elementary and secondary education

Sec. 201. (a) Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 38 as section 39, and by inserting after section 37 the following new section:

"Sec. 38. REAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the taxes on real property paid or accrued during the taxable year which are imposed for the support of public elementary and secondary education, but only to the extent that such taxes do not exceed the lesser of—

"(1) \$100, or

"(2) the amount of the tax imposed by this chapter for the taxable year, reduced by the credits allowable under section 32 (relating to tax withheld at source on nonresident aliens and foreign corporations and on tax-free covenant bonds), section 33 (relating to foreign tax credit), section 34 (relating to credit for dividends received by individuals), section 35 (relating to partially tax-exempt interest), and section 37 (relating to retirement income).

"(b) INCOME TAX BENEFITS NOT TO EXCEED AMOUNT OF REAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.—If the amount allowable (but for this subsection) as a credit under subsection (a) for any taxable year, when added to the amount by which the tax under this chapter for the taxable

year is less by reason of the deduction allowed under section 164 for real property taxes for which credit is otherwise allowable under subsection (a), exceeds the total amount of real property taxes paid or accrued during the taxable year which are imposed for the support of public elementary and secondary education, the amount allowable as a credit under subsection (a) shall be reduced by an amount equal to such excess.

"(c) DETERMINATION OF AMOUNT OF REAL PROPERTY TAX PAID FOR SUPPORT OF PUBLIC EDUCATION.—For purposes of subsection (a), the amount of any tax on real property which is imposed for the support of public elementary and secondary education shall be—

"(1) with respect to any real property tax imposed solely for such support, the amount of such tax; and

"(2) with respect to any real property tax imposed in part for such support, the portion of such tax—

"(A) designated in the bill for such tax submitted to the taxpayer by the taxing jurisdiction imposing such tax; or

"(B) determined from information set forth in such bill or from information furnished to the taxpayer by such taxing jurisdiction,

as the amount of such tax which is imposed for the support of public elementary and secondary education.

"(d) SPECIAL RULES.—

"(1) TAXES MUST BE DEDUCTIBLE.—No credit shall be allowed under subsection (a) with respect to any real property tax unless such tax is allowable as a deduction for the taxable year under section 164.

"(2) TAXES CONSTRUCTIVELY PAID.—Under regulations prescribed by the Secretary or his delegate, the provisions of subsections (d), (e), and (f) of section 164 shall apply to real property taxes with respect to which credit is allowable under subsection (a)."

(b) The table of sections for such part IV is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 38. Real property taxes paid for support of public education.

"Sec. 39. Overpayment of tax."

Deduction for expenses incurred in providing higher education

Sec. 202. (a) Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by renumbering section 217 as section 218, and by inserting after section 216 the following new section:

"Sec. 217. EXPENSES FOR HIGHER EDUCATION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction the expenses for higher education paid by the taxpayer during the taxable year which are incurred by him, by his spouse, or by a dependent (as defined in section 152(a)).

"(b) DEFINITION.—For purposes of this section—

"(1) EXPENSES FOR HIGHER EDUCATION.—The term 'expenses for higher education' means amounts paid for—

"(A) tuition and fees required by an institution of higher education for attendance at such institution;

"(B) fees required by an institution of higher education for a course of instruction at such institution;

"(C) books, supplies, and equipment certified by an institution of higher education as necessary for a course of instruction at such institution; and

"(D) meals and lodging while attending an institution of higher education, but only if the individual for whom such amounts are paid is, at the time such expenses for meals and lodging are incurred, a full-time student at such institution or is enrolled in courses having at least one-half of the number of

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hours required to qualify as a full-time student.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an educational institution (as defined in section 151(e)(4))—

"(A) which is accredited by a recognized national or regional accrediting agency, and

"(B) (i) which is authorized to confer any baccalaureate or higher degree, or (ii) whose curriculum consists of courses at least two-thirds of which are courses of instruction within the meaning of this section.

"(3) COURSE OF INSTRUCTION.—The term 'course of instruction' means a course of instruction for the successful completion of which credit is allowed toward a baccalaureate or higher degree by an institution of higher education authorized to confer such degree, or which is required for graduation by the institution of higher education offering such course.

"(c) LIMITATIONS.—

"(1) EXPENSES OF EACH INDIVIDUAL.—Deduction shall be allowed under subsection (a) for the expenses for higher education of any one individual paid during the taxable year only to the extent that such expenses do not exceed \$2,000.

"(2) SPOUSE.—Deduction shall be allowed under subsection (a) for the expenses for higher education of the spouse of the taxpayer paid during the taxable year only if—

"(A) the taxpayer is entitled to an exemption for his spouse under section 151(b) for the taxable year, or

"(B) the taxpayer files a joint return with his spouse under section 6013 for the taxable year.

"(3) MEALS AND LODGING.—

"(A) FULL-TIME STUDENTS.—Deduction shall be allowed under subsection (a) for the expenses for higher education described in subsection (b)(1)(D) paid during the taxable year which are incurred by any individual who at the time such expenses are incurred is a full-time student only to the extent that such expenses do not exceed—

"(i) in the case of such expenses incurred while the individual is attending an educational institution away from home, \$90, multiplied by the number of months during the taxable year in which the individual attends an educational institution away from home, or if greater, by the number of months for which payment is made during the taxable year for meals and lodging for the individual while he is attending an educational institution away from home; or

"(ii) in the case of such expenses incurred while the individual is attending an educational institution not away from home, \$45, multiplied by the number of months during the taxable year in which the individual attends an institution of higher education not away from home, or, if greater, by the number of months for which payment is made during the taxable year for meals and lodging for the individual while he is attending an educational institution not away from home.

"(B) LESS THAN FULL-TIME STUDENTS.—Deduction shall be allowed under subsection (a) for the expenses of higher education described in subsection (b)(1)(D) paid during the taxable year which are incurred by any individual who at the time such expenses are incurred is not a full-time student but who is enrolled in courses having at least one-half of the number of hours required to qualify as a full-time student only to the extent that such expenses do not exceed an amount determined under subparagraph (A) (i) or (ii), whichever is applicable, except that, for purposes of this subparagraph, there shall be substituted for \$90 in subparagraph (A) (i), and for \$45 in subparagraph (A) (ii), an amount which bears the same ratio to \$90 or \$45, as the case may be, as the number of hours in which such individual is enrolled bears to

the number of hours required to qualify as a full-time student.

"(C) SPECIAL RULES.—For purposes of subparagraphs (A) and (B), a month during which an individual attends an institution of higher education for less than 10 days shall be disregarded; and an individual who is attending an institution of higher education not away from home, but who is required by such institution to accept meals and lodging furnished by such institution, shall be treated as if he is attending an institution of higher education away from home. For purposes of this section, the amounts paid for meals and lodging of an individual while he is attending an institution of higher education not away from home shall, in the case of meals and lodging furnished to such individual by the taxpayer, be determined under regulations prescribed by the Secretary or his delegate.

For purposes of the preceding sentence, a month during which an individual is in attendance at an institution of higher education for less than 10 days shall be disregarded. For purposes of this paragraph, an individual who is attending an institution of higher education not away from home, but who is required by such institution to accept meals and lodging furnished by such institution, shall be treated as if he is attending an institution of higher education away from home. For purposes of this section, the amounts paid for meals and lodging of an individual while he is attending an institution of higher education not away from home shall, in the case of meals and lodging furnished to such individual by the taxpayer, be determined under regulations prescribed by the Secretary or his delegate.

"(4) OTHER PERSONAL AND LIVING EXPENSES.—Except as provided in paragraph (3), deduction shall not be allowed under subsection (a) for any amount paid, directly or indirectly, for any personal or living expenses. In the event an amount paid as tuition or fees includes an amount for any personal or living expense (including meals or lodging) which is not separately stated, the portion of such amount paid which is attributable to such personal or living expense shall be determined under regulations prescribed by the Secretary or his delegate.

"(5) TAXPAYERS HAVING SUBSTANTIAL TAXABLE INCOME.—The amount which (but for this paragraph) would be allowable as a deduction under subsection (a) shall be reduced by the amount by which the taxable income of the taxpayer (computed without regard to this section) exceeds—

"(A) \$10,000, if the taxpayer is unmarried and is not a head of a household (as defined in section 1(b)(a) for the taxable year, or is married and files a separate return for the taxable year, or

"(B) \$20,000, if the taxpayer is married and files a joint return with his spouse for the taxable year, or is a head of a household or surviving spouse for the taxable year.

"(d) REDUCTION FOR CERTAIN SCHOLARSHIPS, FELLOWSHIPS, AND VETERANS' BENEFITS.—The expenses for higher education paid by the taxpayer with respect to any individual which (but for this subsection) would be taken into account under subsection (a) shall, under regulations prescribed by the Secretary or his delegate, be reduced by any amounts received by or for such individual during the taxable year as—

"(1) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which, under section 177, is not includible in gross income, or

"(2) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

"(e) EXCEPTION.—Subsection (a) shall not apply to any amount paid which is allow-

able as a deduction under section 162 (relating to trade or business expenses)."

(b) The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 217. Expenses for higher education.

"Sec. 218. Cross references."

Effective date

Sec. 203. The amendments made by sections 201 and 202 shall apply to taxable years beginning after December 31, 1959.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendment now pending be considered over a 2-hour period, 1½ hours to be allocated to the Senator from Arizona and one-half hour to the Senator from Oregon.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SMATHERS. Mr. President, will the Senator from Arizona yield to me?

Mr. GOLDWATER. Mr. President, I yield to the Senator from Florida with the understanding that the time for his statement not be charged to my time.

Mr. MORSE. Mr. President, the time consumed by the Senator from Florida may be charged to the time under my control.

CASTRO, PRISONERS, AND TRACTORS

Mr. SMATHERS. Mr. President, Fidel Castro's callous offer to exchange prisoners for tractors has now put him into the dilemma, in which he had hoped to put the United States.

This offer was made solely for propaganda value. Castro knows and we know that he can obtain and is, in fact, obtaining tractors from Russia and the Soviet bloc nations. Castro hoped to make it appear throughout Latin America that the United States "imperialists" cared more for machinery than they did for human lives, to use his own propagandist's words.

He knows that the U.S. Government could not, and would not, accede to his unconscionable offer, for to do so would put the United States in the position of paying tribute in response to his blackmail.

He was advised that the principle of "millions for defense but not one cent for tribute" still exists in the United States and, indeed, we still embrace that principle.

But where he miscalculated was in not reckoning with the depth of sympathy and the extent of the friendship which the ordinary citizens of the United States feel for the Cuban people as such, and particularly for the Cuban freedom fighters. For now private citizens have, together with the Cuban refugees, responded to Castro's challenge for an exchange of a machine for a life, and now he seeks to squirm out of the deal.

All of Latin America has been horrified and appalled by Castro's Eichmann-like offer to exchange a life for a machine.